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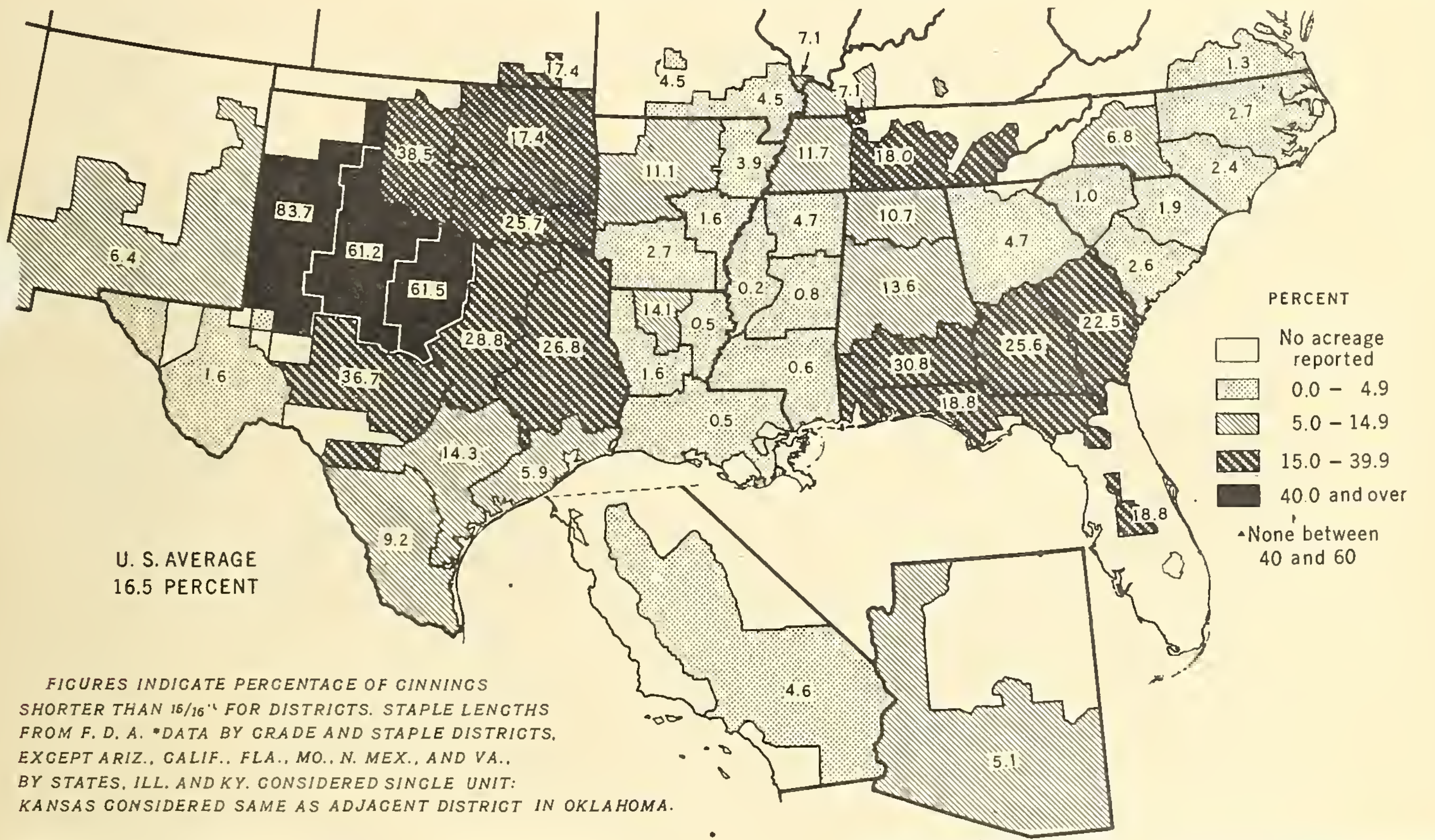
THE Cotton SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

CS - 98 BAE JANUARY 1945

COTTON, UPLAND: PERCENTAGE OF GINNINGS SHORTER THAN 15/16 INCH, BY DISTRICTS, 1940-42 AVERAGE*



U. S. AVERAGE
16.5 PERCENT

*FIGURES INDICATE PERCENTAGE OF GINNINGS SHORTER THAN 15/16" FOR DISTRICTS. STAPLE LENGTHS FROM F. D. A. *DATA BY GRADE AND STAPLE DISTRICTS, EXCEPT ARIZ., CALIF., FLA., MO., N. MEX., AND VA., BY STATES. ILL. AND KY. CONSIDERED SINGLE UNIT: KANSAS CONSIDERED SAME AS ADJACENT DISTRICT IN OKLAHOMA.*

U. S. DEPARTMENT OF AGRICULTURE NEG. 43300 BUREAU OF AGRICULTURAL ECONOMICS

Production of cotton having a staple length of less than 15/16-inch is much more important in Texas, Oklahoma, Alabama, Georgia, and Tennessee than elsewhere in the Belt. Of the total of such short staple cotton during the three-year period 1940-42, over 90 percent was from these 5 States even though their total production of cotton was only 50 percent of the United States total. In 1943 (the last year for which complete data are available) these 5 States accounted for 91 percent of the total cotton having a staple length of less than 15/16-inch and 17 percent of the total production of cotton.

Inasmuch as the carry-over of cotton under 15/16-inch at the beginning of the current season represented about 23 months' supply at the 1943-44 rate of disappearance, and because of the wide discounts in the open market against such short staple cotton, a shift in 1945 of at least some of the short staple cotton acreage to longer staple varieties or to other crops appears warranted.

THE COTTON SITUATION

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-- January 18, 1945

THE DOMESTIC COTTON SITUATION

Recent Cotton Prices Average Highest During War Period

During the month ended January 15, cotton prices averaged higher than in any other like period during the current war period. The 10-market average of Middling 15/16-inch cotton was 21.72 cents per pound and ranged from 21.56 in the early part of the monthly period to 21.89 in the latter part. In the corresponding period a month earlier, the 10-market price ranged from 21.24 to 21.61 and averaged 21.43 cents.

Among the factors which influenced the recent strength in cotton prices were (a) military developments which were interpreted as prolonging the period in which military purchases of textiles and the strong civilian demand for textiles assure mills an outlet for all the textiles they can produce, (b) a general belief in trade quarters that no legislation will be enacted by the new Congress which will result in lower cotton prices, and (c) the growing evidence that the downward trend in domestic cotton consumption has been arrested, at least temporarily.

Despite the gain in the price of Middling 15/16-inch cotton, it is still below the parity equivalent in those southern and western spot markets for which quotations are regularly available.

Market Quality Differentials Approximately In Line with Government Loan

For those qualities which make up by far the largest percentage of the current crop, the grade and staple premiums and discounts prevailing in the central spot markets in December were more closely in line with those prevailing under the Government loan program than comparable data for any other wartime year. Nevertheless, some significant differences have developed, foremost among which has been the widening in the discounts for staples shorter than 15/16-inch. The market discount for Middling 13/16-in the 10-markets in December averaged 270 points, or 100 points below the loan level, and the market discount for Middling 7/8 was 128 as compared with a loan discount of 105 points. Also in the higher grades of the longest staples, the market was somewhat under the loan level.

Value of 1944 Crop Highest Since 1925

The season average price of cotton received by farmers to December 1 has been estimated at 21.00 cents per pound and the value of production of lint based on this price and the December Cotton Report was placed at 1,299 million dollars. These compare with a season average price of 19.88 cents per pound and a value of production of 1,136 million dollars for the 1943 season. The season average price of cottonseed to December 1 averaged $53.10 per ton or $1.00 per ton higher than the average price for the 1943 season. The value of production of cottonseed in 1944 was tentatively estimated at 263 million dollars compared with 244 million last season. The value of production of lint in 1944 is the highest since 1928 while that of seed is the highest since 1919. The indicated combined value of lint and seed of 1,561 million dollars is the highest since 1925 and 11 percent above that of the 1943 crop.

December Consumption Equivalent to Annual Rate of 9.7 Million Bales

During December 760,740 bales of cotton were consumed by domestic mills. This compares with 836,541 bales in November and 851,180 bales in December 1943. Taking account of the number of working days, the December consumption was equivalent to an annual consumption rate of 9,741,000 bales. This compares with an annual rate of 9,661,000 bales based on the average consumption per working day for the 5-month period August-December, and a 1943-44 total consumption of 9,943,000 bales. Included in the above total for December were 3,298 bales of American-Egyptian cotton and 8,122 bales of foreign-grown cotton.

War Department Acts to Increase Textile Output

As a means of achieving a greater production of certain cotton textiles, particularly duck and tent twill, the Army announced action along two lines in December. It has assigned officers to 75 mills manufacturing these products. It is their responsibility to:

(1) Contact every person who intends to leave his job with the mill and try to persuade him of the great importance to the war effort of his particular work.

(2) Contact daily the local United States Employment Service Office and try to persuade new people coming into town to report for employment in the local mill.

(3) Contact community leaders and organizations, such as churches, clubs, etc., and spur community consciousness of the importance of increased production of the particular textiles.

A further responsibility of these officers is to call to the attention of their superiors those obstacles to production which, although they themselves are not empowered to take direct action, may be appropriately dealt with at a higher level.

The Army also selected some 1,000 soldiers who were textile workers in civilian life and sent them to work in those cotton textile mills which are unable to meet their production schedules of military textiles because of a lack of workers. The soldiers, some of whom have served overseas, are on 90-day furloughs from their posts in various parts of the United States and the furloughs will be extended if their work still is urgently needed. They are working for regular pay and also receive their enlisted men's Army pay. Assigning of workers to industrial plants is a practice which the Army follows only in cases of a dangerous labor shortage in plants which produce vitally needed materials.

Government Loan, Purchase and Sales Program

The Commodity Credit Corporation has announced that through January 6 a total of 1,742,088 bales of cotton had moved into the 1944 Government loan and 972,120 bales of cotton had been acquired under the 1944 cotton purchase program. Of these amounts 361,719 bales had entered the 1944 loan and 434,682 bales were purchased in the 4 weeks between December 9 and January 6.

In addition to the above purchases under the 1944 cotton purchase program, it was announced on January 4 that the Commodity Credit Corporation had purchased 50,000 bales of cotton for Lend-Lease purposes on the basis of bids submitted through December 28. The following qualities and quantities were purchased at an average price expressed in points per pound on the March New York futures contract: Strict Middling 31/32 inch - white or extra white - 3,000 bales at 92.4 points on; Strict Middling 1 inch - white or extra white - 5,000 bales at 127 points on; Middling 1 inch - white or extra white - 37,000 bales at 96-1/2 points on; Middling 1-1/32 inch - white or extra white - 5,000 bales at 87 points on. The price given is for cotton compressed to high density for shipside delivery to specified ports.

Normally, such Lend-Lease cotton would be taken from the owned or pooled stocks of the Commodity Credit Corporation. However, purchases have been made in the open market whenever filling the Lend-Lease requirement would constitute too much of a drain upon the Government controlled supply of particular qualities or whenever its need was not anticipated far enough in advance to permit the Commodity Credit Croporation to compress, concentrate, and deliver its own cotton to shipside by the time it is needed.

Under the 1944 Cotton Export Program, sales of a total of 149,349 bales were registered for export with the Commodity Credit Corporation between the beginning of the program on November 15 and January 6. This is an average of nearly 3,500 bales per business day or at an annual rate of over 1 million bales per year.

STANDARIZED COTTON PRODUCTION THROUGH ONE-VARIETY COMMUNITIES

Among the more significant developments in cotton production during the past generation has been the development of what has become known as one-variety communities. As early as 1909, the Bureau of Plant Industry recommended the establishment of centers of production of pure seed of approved varieties as essential to quality improvement. This could best be accomplished by associations of growers who would standardize their production on one variety best adapted to their locality from the standpoint of yield, staple length, and market demand. A further prerequisite to the successful achievement of their objective was that they patronize a gin that ginned no other variety of cotton, as a means of avoiding the mixing of seed.

The possibilities of one-variety production were first demonstrated in the irrigated valleys of the southwestern States with both American-Egyptian and upland cottons. California has gone further than any other State by enacting a law in 1925 which restricts the planting in specified areas to a single variety. In 1931 the Bureau of Plant Industry, in cooperation with the State Extension Services and other State and Federal agencies, inaugurated a one-variety program in all principal cotton-producing States.

Now beginning its 15th year of operation, the one-variety program has been outstandingly successful. Its growth from any one year to the next has not been spectacular, but the consistency of the growth throughout the period (1935-43) for which final data are available is gratifying. Consequently, in 1943 there were a total of 2,544 standardized one-variety communities in 77 percent of the cotton-producing counties of the country, with a cooperating membership of about 306,000 growers. The acreage planted to the approved varieties on these farms was 40 percent of the total acreage and this acreage yielded 43 percent of the total production for the entire country.

The extra cash return received by the growers in the one-variety communities in 1943 from larger yields and premiums for improved quality of staple has been estimated by the Bureau of Plant Industry at nearly $7.50 an acre over and above what they would have received if they had continued to plant the inferior varieties formerly grown. This represents a total additional income for the one-variety farmers of more than 66 million dollars in the single year.

By way of further summing up the achievements of the one-variety community work, Dr. P. V. Cardon, Assistant Research Administrator, Agricultural Research Administration, United States Department of Agriculture, in testifying before a Congressional Committee in early December stated:

"The large supplies of pure seed of improved varieties of cotton with better staple that are always available in the one-variety communities made it possible to meet in a single season the exacting requirements of strength and durability for fabrics that went into the thousands of articles needed in the war.

"Experience has shown that where production is on a single-variety basis, improvements in culture, harvesting, ginning, and marketing are more easily and effectively applied and the textile industry is assured of regular supplies in large volume of more uniform cotton of the same character of staple.

"Cotton manufacturers through the South have recognized the superior quality of one-variety cotton and many mills are now regular customers of communities where large blocks of one-variety cotton of specific varieties are available.

"The one-variety communities using recently developed varieties of superior quality are probably producing the best cotton in the world. Standardizing our entire production on a few of our best varieties is a logical future step."

Table 1.- Statistics relating to cotton growing in Standardized One-Variety Communities, United States, 1935-43

Year	Counties participating 1/		Communities participating	Grower members	Acres of adopted variety		Production of adopted variety	
	Actual	As a percentage of U.S. total 2/			Actual	As a percentage of U.S. total	Actual	As a percentage of U.S. total
	Number	Percent	Number	1,000	1,000	Percent	1,000	Percent
1935	161	19	331	---	788	3	571	5
1936	234	28	511	---	1,470	5	1,112	9
1937	312	38	739	---	2,453	7	1,883	10
1938	425	53	1,056	---	2,284	9	1,445	12
1939	495	62	1,516	132	2,987	12	1,656	14
1940	548	70	1,922	185	4,518	18	2,742	22
1941	550	71	2,116	229	6,239	27	3,367	32
1942	577	75	2,564	292	7,614	33	4,570	37
1943	569	77	2,544	306	8,869	40	4,771	43

1/ Counties containing one or more Standardized One-Variety Communities.
2/ As a percentage of all cotton-growing counties.
Compiled from records of the division of Cotton and Other Fiber Crops and Diseases, Bureau of Plant Industry, Soils and Agricultural Engineering.

WORLD COTTON PRICES

Brazilian Cotton Declines, Indian Gains Since Export Payment Program Announced 1/

In the 2 months since the export payment rate of 4 cents per pound for American cotton became effective on November 15, the prices of American and Indian cotton have risen and Brazilian cotton and Mexican cotton have dropped. For the 4 Fridays preceding the announcement of the export payment rate on November 15, the price of Middling 15/16-inch cotton at New Orleans averaged 21.30 cents per pound. This compares with an average spot market price of 14.69 cents for Type 5 Brazilian at Sao Paulo, 18.22 cents for Middling 15/16-inch at Torreon, Mexico, and 15.73 cents for March 1945 Jarilla Futures at Bombay. By January 12 American cotton had averaged 35 points above this average and Indian cotton 159 points, while Brazilian cotton had declined 53 points and Mexican cotton, 13 points. Consequently, on these latter dates, American cotton was 7.49 cents higher than Brazilian cotton as compared with 6.61 cents in the pre-announcement period, 3.56 cents higher than Mexican cotton as compared with 3.08 cents in the earlier period, and 4.33 cents over Indian cotton as compared with 5.57 cents. The competitive position of American cotton, although substantially improved with respect to Indian cotton, has become even less favorable, both with respect to Mexican and Brazilian cotton, since the export payment rate first went into effect.

1/ Although comparisons are often made between the price series used in this section, it should be noted that there are several reasons why they are not exactly comparable. The qualities of cotton quoted are not exactly equivalent; American cotton is on a gross weight, whereas other growths are on a net weight basis; the Brazilian and Mexican prices are at interior markets rather than at ports; and there is an export tax on Brazilian cotton. Futhermore, there are a number of cost items involved in the movement of these kinds of cotton to an importing country which may differ substantially for the different growths at any particular time. The most important of these, particularly in times of war, include ocean shipping rates and insurance. Nevertheless, changes in the price spreads between these various markets from one time to another, and especially over periods in which shipping rates and other costs remain essentially unchanged, are indicative of changes in the competitive price position of these particular qualities of American and foreign growths.

Table 2.- Cotton prices: Comparison between United States and foreign before and after the announcement of the Export Payment program.

Date	M. 15/16" at New Orleans	Type 5 at Sao Paulo		M. 15/16" at Torreon, Mex.		Jarilla Futures at Bombay 1/	
		Actual	Amt. below M. 15/16" at New Orleans	Actual	Amt. below M. 15/16" at New Orleans	Actual	Amt. below M. 15/16" at New Orleans
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Oct. 20	21.45	14.73	6.72	18.32	3.13	15.31	6.14
" 27	21.30	14.57	6.73	18.32	2.98	15.85	5.45
Nov. 3	21.10	14.82	6.28	18.32	2.78	15.90	5.20
" 10	21.35	14.65	6.70	17.91	3.44	15.85	5.50
Avg. 2/	21.30	14.69	6.61	18.22	3.08	15.73	5.57
Nov. 15	Date on which Export Payment program became effective.						
" 17	21.20	14.65	6.55	17.91	3.29	15.99	5.21
" 24	21.20	14.41	6.79	17.91	3.29	15.85	5.35
Dec. 11	21.25	14.32	6.93	18.09	3.16	16.32	4.93
" 8	21.30	14.32	6.98	18.09	3.21	17.25	4.05
" 15	21.40	14.24	7.16	18.09	3.31	16.55	4.85
" 22	21.40	13.99	7.41	---	---	17.13	4.27
" 30	21.55	14.16	7.39	18.01	3.54	17.01	4.54
Jan. 5	21.60	14.24	7.36	18.09	3.51	17.29	4.31
" 12	21.65	14.16	7.49	18.09	3.56	17.32	4.33

1/ March 1945 Jarilla Futures at Bombay.

2/ Average of October 20 and 27 and November 3 and 10; the four weeks preceding the announcement of the 4.00 cent export payment for American cotton.

Table 3.- Cotton, Upland: Percentage of ginnings under 15/16 inch and average staple length, by districts and States, 1940-44.

State and district	Percentage under 15/16 inch						Average staple length (32nd in.)				
	1940	1941	1942	1940-42 average	1943	1944 1/	1940	1941	1942	1943	1944 1/
Alabama 1	13.5	6.6	12.2	10.7	15.0	4.8	31.2	31.5	31.1	30.8	31.7
2	23.9	7.5	9.8	13.6	13.0	3.8	30.5	31.4	31.0	30.9	31.6
3	48.4	10.8	31.6	30.8	17.9	11.7	29.6	31.2	30.0	30.7	31.0
State	24.2	7.6	14.5	15.4	14.8	5.4	30.6	31.4	30.9	30.8	31.5
Arkansas 1	4.1	20.1	13.0	11.1	35.9	21.9	31.9	31.0	31.7	30.1	31.1
2	7.4	2.2	2.7	3.9	1.8	1.6	33.4	33.3	33.5	32.5	33.1
3	1.2	4.6	2.8	2.7	15.7	8.1	32.4	32.2	32.7	31.1	31.8
4	3.5	0.2	0.8	1.6	4.4	1.1	33.6	33.9	33.7	32.7	33.0
State	5.3	3.8	3.3	4.1	6.7	3.8	33.1	33.1	33.3	32.2	32.7
Georgia 1	4.6	6.0	3.9	4.7	4.9	2.9	32.0	31.8	31.8	31.5	31.7
2	34.7	17.3	22.1	25.6	9.3	1.9	30.3	31.1	30.7	31.3	32.1
3	30.2	13.5	18.5	22.5	10.7	5.3	30.4	31.5	30.8	31.4	31.8
State	17.8	10.7	10.7	13.6	7.1	3.2	31.2	31.5	31.3	31.4	31.8
Louisiana 1	0.9	0.9	3.0	1.6	8.3	0.9	32.6	32.6	32.2	31.4	32.1
2	3.3	12.8	27.5	14.1	44.6	11.9	32.0	31.0	30.4	29.7	30.8
3	0.1	0.3	0.7	0.5	1.1	0.1	33.0	33.4	33.0	32.9	33.2
4	0.7	0.2	0.4	0.5	1.3	1.0	32.6	33.2	32.5	32.7	32.0
State	1.0	1.7	4.0	2.4	6.8	1.7	32.7	33.0	32.4	32.2	32.4
Mississippi 1	0.6	2/	2/	0.2	0.4	-	35.1	35.7	34.9	34.2	34.5
2	4.1	2.9	6.4	4.7	7.6	1.1	33.0	32.8	32.9	31.9	33.3
3	0.5	0.6	0.9	0.8	1.4	0.8	32.6	32.9	32.9	32.7	33.0
4	0.6	0.6	0.5	0.6	0.4	2.9	32.4	33.1	32.9	32.8	32.3
State	1.4	0.7	1.5	1.2	1.9	0.7	34.2	34.6	34.0	33.4	33.7
North Carolina 1	3.2	6.4	11.2	6.8	5.3	3.3	33.5	33.2	33.2	33.1	32.8
2	1.4	0.6	5.4	2.7	2.8	0.7	33.4	33.2	31.9	32.3	32.9
3	2.8	0.2	3.4	2.4	2.3	0.8	32.6	32.9	32.0	32.2	32.5
State	2.2	2.4	6.7	3.9	3.5	1.5	33.2	33.1	32.3	32.5	32.8
South Carolina 1	1.6	0.7	0.3	1.0	0.6	0.1	32.3	32.8	32.9	32.7	32.6
2	3.5	0.4	0.6	1.9	0.2	-	32.4	33.7	33.2	33.3	33.3
3	4.5	0.3	0.9	2.6	0.2	0.1	31.8	32.8	32.4	33.0	32.8
State	2.8	0.5	0.5	1.6	0.3	0.1	32.2	33.1	32.9	33.0	32.9

-- Continued

Table 3.- Cotton, Upland: Percentage of ginnings under 15/16 inch and average staple length, by districts and States, 1940-44 (Continued)

State and district	Percentage under 15/16 inch						Average staple length (32nd in.)				
	1940	1941	1942	1940-42 average	1943	1944 1/	1940	1941	1942	1943	1944 1/
Oklahoma 1	24.0	43.6	44.0	38.5	69.3	49.4	30.7	29.6	29.8	28.2	29.4
2	14.5	20.2	18.9	17.4	41.1	35.7	30.9	30.8	31.1	29.5	29.9
3	14.6	29.4	36.8	25.7	56.8	48.2	31.1	30.5	30.1	29.0	29.4
State	17.9	33.1	37.[illegible]	28.9	60.4	44.8	30.9	30.2	30.2	28.6	29.5
Tennessee 1	17.0	10.5	8.4	11.7	6.9	2.6	32.1	31.9	32.7	32.1	33.0
2	16.6	15.9	20.6	18.0	33.2	9.8	31.5	31.5	31.7	30.7	32.3
State	17.0	11.0	9.9	12.4	10.7	3.5	32.1	31.8	32.6	31.9	32.9
Texas 1	76.0	85.3	87.6	83.7	97.1	89.4	28.2	27.6	27.6	26.5	27.3
2	48.4	60.1	72.3	61.2	93.7	71.8	29.5	28.9	28.5	27.0	28.6
3	54.8	52.3	74.5	61.5	95.0	55.6	29.1	29.3	28.3	27.1	28.3
4	31.4	12.7	38.5	28.8	51.5	12.9	30.1	30.5	29.9	29.4	29.5
5	25.9	20.6	32.9	26.8	38.3	13.0	30.4	30.7	30.2	30.1	30.2
6	0.3	0.7	4.2	1.6	2.1	0.0	34.5	35.2	35.4	34.9	34.6
7	47.8	16.6	47.0	36.7	78.7	27.7	29.6	30.4	29.6	28.4	29.3
8	23.0	8.6	10.2	14.3	8.0	4.5	30.6	31.3	31.4	31.4	31.2
9	5.3	4.6	8.1	5.9	2.2	0.7	31.7	32.0	31.7	32.2	31.9
10	9.9	6.3	10.5	9.2	8.4	1.1	31.6	31.9	31.5	31.9	32.8
State	36.3	42.4	51.4	43.2	54.0	27.6	30.1	29.7	29.5	29.1	29.7
Arizona	0.9	11.1	4.0	5.1	0.6	2/	33.0	32.3	32.9	33.5	33.7
California	0.6	13.4	1.0	4.6	0.1	2/	34.4	33.4	34.4	34.4	34.6
Florida	31.4	10.3	12.2	18.8	11.7	2.8	31.3	33.0	32.7	32.9	33.7
Missouri	12.6	0.9	0.7	4.5	0.5	0.1	32.6	33.0	33.3	33.4	33.5
New Mexico	5.2	8.0	6.4	6.4	3.8	2/	34.3	34.5	34.6	34.5	34.8
Virginia	1.6	0.5	1.6	1.2	5.9	0.4	33.8	33.4	32.4	32.0	32.7
Other 3/	14.4	1.8	7.4	7.1	1.9	4/	32.7	32.4	32.9	33.0	4/
United States	15.8	15.9	17.8	16.5	19.2	13.8	31.92	31.98	31.90	31.52	32.0

From reports of the Cotton and Fiber Branch, Office of Marketing Services.

1/ Preliminary. Based on the latest available Quality Reports.

2/ Less than 0.05 percent.

3/ Illinois and Kentucky.

4/ Not available until the end of the season.

Table 4.- Cotton, American Upland: Grade and staple premiums and discounts, ten markets and Memphis, 1943-44 average, December 1944, and rates applicable under 1944 Government loan 1/

Grade	Ten designated markets														
	13/16 inch			7/8 inch			29/32 inch			15/16 inch			31/32 inch		
	'43-44: Av.	Dec. 1944	1944 loan	'43-44: Av.	Dec. 1944	1944 loan	'43-44: Av.	Dec. 1944	1944 loan	'43-44: Av.	Dec. 1944	1944 loan	'43-44: Av.	Dec. 1944	1944 loan
	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points
White and Extra White															
Middling Fair	-129	-235	-130	- 54	- 90	- 65	- 12	- 21	- 25	52	51	40	64	64	50
Strict Good Middling	-136	-236	-130	- 61	- 92	- 65	- 19	- 27	- 25	46	43	40	57	57	50
Good Middling	-142	-238	-130	- 68	- 95	- 65	- 25	- 32	- 25	39	36	40	51	50	50
Strict Middling	-154	-2477	-140	- 79	-104	- 75	- 37	- 43	- 35	28	25	30	40	38	40
Middling	-185	-270	-170	-109	-128	-105	- 64	- 67	- 65	Base	Base	Base	12	13	10
Strict Low Middling	-311	-402	-305	-231	-249	-230	-191	-190	-195	-128	-131	-135	-115	-115	-120
Low Middling	-536	-648	-540	-451	-499	-465	-419	-437	-435	-367	-375	-390	-366	-374	-390
Strict Good Ordinary	-661	-770	-670	-573	-633	-590	-541	-573	-560	-494	-512	-515	-494	-511	-515
Good Ordinary	-760	-885	-765	-672	-736	-690	-642	-675	-660	-597	-613	-620	-597	-612	-620
Spotted															
Good Middling	-206	-280	-200	-121	-141	-120	- 87	- 96	- 90	- 24	- 25	- 25	- 13	- 18	- 15
Strict Middling	-221	-295	-210	-137	-158	-135	-103	-113	-105	- 40	- 42	- 40	- 30	- 34	- 30
Middling	-357	-451	-345	-272	-306	-270	-242	-259	-245	-178	-187	-180	-170	-180	-170
Strict Low Middling	-593	-666	-595	-505	-526	-515	-476	-493	-490	-428	-429	-440	-426	-429	-440
Low Middling	-744	-840	-745	-653	-686	-665	-627	-651	-640	-580	-584	-595	-580	-584	-595
Tinged															
Good Middling	-401	-498	-395	-312	-354	-310	-285	-319	-285	-231	-256	-230	-228	-250	-225
Strict Middling	-420	-517	-410	-338	-379	-335	-311	-344	-310	-256	-280	-255	-255	-276	-255
Middling	-644	-742	-635	-552	-594	-550	-523	-556	-525	-471	-503	-470	-471	-503	-470
Strict Low Middling	-770	-867	-760	-688	-738	-685	-661	-704	-665	-616	-648	-615	-615	-648	-615
Low Middling	-870	-965	-860	-790	-840	-790	-763	-806	-765	-715	-750	-715	-714	-750	-715
Yellow Stained															
Good Middling	-638	-747	-630	-545	-603	-545	-524	-573	-525	-478	-523	-475	-477	-523	-475
Strict Middling	-661	-767	-650	-572	-627	-570	-550	-595	-550	-504	-548	-505	-504	-548	-505
Middling	-784	-866	-775	-693	-735	-690	-668	-702	-670	-627	-654	-625	-627	-654	-625
Gray															
Good Middling	-298	-398	-290	-218	-273	-220	-188	-234	-190	-127	-171	-130	-116	-161	-120
Strict Middling	-318	-473	-310	-237	-348	-240	-207	-310	-210	-146	-247	-150	-136	-237	-140
Middling	-438	-587	-430	-358	-462	-360	-330	-424	-330	-274	-362	-275	-270	-357	-270

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Table 4.- Cotton, American Upland: Grade and staple premiums and discounts, ten markets and Memphis, 1943-44 average, December 1944 and rates applicable under 1944 Government loan 1/ - Continued

Grade	Ten designated markets									Memphis					
	1 inch			1-1/32 inches			1-1/16 inches			1-1/16 inches			1-3/32 inches		
	43-44: Av.	Dec. 1944	1944 loan	43-44: Av.	Dec. 1944	1944 loan	43-44: Av.	Dec. 1944	1944 loan	43-44: Av.	Dec. 1944	1944 loan	43-44: Av.	Dec. 1944	1944 loan
	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points
White and Extra White															
Middling Fair	86	82	75	113	108	100	182	178	160	222	170	160	338	327	335
Strict Good Middling	79	75	75	106	101	100	175	170	160	222	170	160	338	327	335
Good Middling	73	68	75	99	94	100	169	163	160	222	170	160	338	327	335
Strict Middling	61	56	60	88	82	90	157	152	150	212	160	150	318	307	315
Middling	29	28	25	52	52	50	117	116	105	157	123	105	243	232	240
Strict Low Middling	-100	-102	-110	- 81	- 83	- 90	- 49	- 47	- 55	- 18	- 5	- 55	53	57	50
Low Middling	-355	-359	-380	-347	-349	-370	-340	-341	-365	-293	-325	-365	-267	-290	-300
Strict Good Ordinary	-493	-503	-515	-490	-499	-515	-489	-496	-515	-462	-530	-515	-462	-530	-490
Good Ordinary	-595	-604	-620	-592	-601	-615	-591	-598	-615	-566	-640	-615	-566	-640	-590
Spotted															
Good Middling	Even	- 1	Even	18	13	15	40	37	40	60	60	40	110	102	110
Strict Middling	- 18	- 21	- 15	Even	- 8	Even	23	18	25	45	37	25	85	77	85
Middling	-160	-169	-160	-145	-159	-145	-120	-135	-120	-118	-105	-120	- 93	- 80	-100
Strict Low Middling	-417	-422	-430	-416	-421	-430	-412	-418	-430	-386	-400	-430	-372	-400	-365
Low Middling	-575	-579	-595	-575	-579	-595	-575	-577	-595	-547	-564	-595	-534	-564	-530
Tinged															
Good Middling	-220	-241	-220	-219	-240	-215	-213	-234	-210	-221	-225	-210	-195	-223	-195
Strict Middling	-245	-266	-245	-244	-266	-245	-238	-261	-240	-246	-250	-240	-220	-248	-220
Middling	-466	-500	-465	-465	-500	-465	-463	-499	-460	-442	-450	-460	-425	-448	-430
Strict Low Middling	-612	-646	-610	-612	-646	-610	-612	-646	-610	-598	-610	-610	-598	-610	-605
Low Middling	-713	-750	-710	-713	-750	-710	-713	-750	-710	-704	-720	-710	-704	-720	-705
Yellow Stained															
Good Middling	-472	-519	-470	-471	-519	-470	-470	-518	-470	-416	-470	-470	-406	-468	-395
Strict Middling	-498	-544	-495	-497	-544	-495	-497	-543	-495	-441	-495	-495	-431	-493	-420
Middling	-625	-654	-625	-625	-654	-625	-625	-654	-625	-610	-630	-625	-610	-630	-610
Gray															
Good Middling	-107	-150	-110	- 87	-134	- 90	- 66	-113	- 70	- 40	- 88	- 70	- 5	- 53	- 5
Strict Middling	-126	-225	-130	-106	-209	-110	- 86	-188	- 90	- 60	-108	- 90	- 30	- 78	- 30
Middling	-261	-346	-265	-255	-336	-255	-242	-327	-245	-220	-268	-245	-195	-243	-195

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Table 4.- Cotton, American Upland: Grade and staple premiums and discounts, ten markets and Memphis, 1943-44 average, December 1944 and rates applicable under 1944 Government loan 1/ - Continued

Grade	Memphis														
	1-1/8 inches			1-5/32 inches			1-3/16 inches			1-7/32 inches			1-1/4 inches		
	43-44 Av.	Dec. 1944	1944 loan	43-44 Av.	Dec. 1944	1944 loan	43-44 Av.	Dec. 1944	1944 loan	43-44 Av.	Dec. 1944	1944 loan	43-44 Av.	Dec. 1944	1944 loan
	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points	Points
White and Extra White															
Middling Fair	580	585	590	791	735	810	968	910	1005	1068	1010	1105	1194	1135	1235
Strict Good Middling	580	585	590	791	735	810	968	910	1005	1068	1010	1105	1194	1135	1235
Good Middling	580	585	590	791	735	810	968	910	1005	1068	1010	1105	1194	1135	1235
Strict Middling	555	560	565	766	710	785	943	885	980	1043	985	1080	1169	1110	1210
Middling	452	460	460	624	610	640	782	760	800	882	860	900	1021	985	1050
Strict Low Middling	190	185	190	307	335	310	440	435	450	499	510	505	596	610	600
Low Middling	-217	-240	-250	-166	-215	-185	-124	-190	-130	-114	-175	-125	-108	-165	-120
Strict Good Ordinary	-452	-520	-480	-452	-520	-480	-452	-520	-480	-452	-520	-480	-452	-520	-480
Good Ordinary	-566	-640	-590	-566	-640	-590	-566	-640	-590	-566	-640	-590	-566	-640	-590
Spotted															
Good Middling	210	202	210	335	327	335	435	427	435	510	502	510	610	602	610
Strict Middling	185	177	185	310	302	310	410	402	410	485	477	485	585	577	585
Middling	1	5	Even	82	80	85	158	150	165	233	225	240	308	300	315
Strict Low Middling	-333	-378	-320	-306	-357	-290	-262	-340	-235	-262	-340	-235	-262	-340	-235
Low Middling	-528	-564	-520	-528	-564	-520	-528	-564	-520	-528	-564	-520	-528	-564	-520
Tinged															
Good Middling	-145	-189	-145	- 95	-159	- 95	- 45	-129	- 45	- 5	- 99	5	55	- 69	55
Strict Middling	-170	-214	-170	-120	-184	-120	- 70	-154	- 70	- 20	-124	- 20	30	- 94	30
Middling	-404	-432	-405	-385	-429	-385	-385	-429	-385	-385	-429	-385	-385	-429	-385
Strict Low Middling	-582	-608	-585	-582	-608	-585	-582	-608	-585	-582	-608	-585	-582	-608	-585
Low Middling	-694	-720	-690	-694	-720	-690	-694	-720	-690	-694	-720	-690	-694	-720	-690
Yellow Stained															
Good Middling	-396	-458	-385	-386	-456	-375	-386	-456	-375	-386	-456	-375	-386	-456	-375
Strict Middling	-421	-483	-410	-411	-481	-400	-411	-481	-400	-411	-481	-400	-411	-481	-400
Middling	-610	-630	-610	-610	-630	-610	-610	-630	-610	-610	-630	-610	-610	-630	-610
Gray															
Good Middling	120	72	120	170	122	170	245	197	245	295	247	295	370	322	370
Strict Middling	95	47	95	145	97	145	220	172	220	270	222	270	345	297	345
Middling	-155	-203	-155	-130	-178	-130	-105	-153	-105	- 80	-128	- 80	- 55	-103	- 55

1/ Based on Middling 15/16 inch.

Compiled from reports of the Cotton and Fiber Branch, Office of Marketing Services, and the Commodity Credit Corporation.

Table 5.- Cotton, Middling 15/16-inch: Market price, loan rate, parity equivalent, and purchase price, selected markets and dates.

Area and market	Market price			Loan rate 1/		Parity equivalent	Purchase price	Difference between Dec. 1944 market and		
	1943-44 average	Dec. 1944	Jan. 15 1945	1943-44	1944-45	Dec. 1944	Dec. 1944 2/	1944-45 loan	Parity equivalent	Purchase price
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Points	Points	Points
Southeastern markets										
Charleston	21.00	21.88	22.20	19.75	21.57	22.74	22.49	31	-86	-61
Augusta	21.21	21.93	22.25	19.71	21.53	22.70	22.45	40	-77	-52
Savannah	20.97	21.80	22.13	19.66	21.48	22.65	22.40	32	-85	-60
Montgomery	20.74	21.54	21.85	19.48	21.30	22.47	22.22	24	-93	-68
Average	20.98	21.79	22.11	19.64	21.47	22.64	22.39	32	-85	-60
South Central markets										
New Orleans	20.44	21.38	21.65	19.22	21.04	22.21	21.96	34	-83	-58
Memphis	20.46	21.54	21.85	19.26	21.08	22.25	22.00	46	-71	-46
Little Rock	20.50	21.52	21.85	19.19	21.01	22.18	21.93	51	-66	-41
Average	20.47	21.48	21.78	19.22	21.04	22.21	21.96	44	-73	-48
Southwestern markets										
Dallas	20.38	21.19	21.40	19.11	20.93	22.10	21.85	26	-91	-66
Houston	20.42	21.37	21.65	19.16	20.98	22.15	21.90	39	-78	-53
Galveston	20.41	21.35	21.69	19.16	20.98	22.15	21.90	37	-80	-55
Lubbock 3/	20.28	21.19	21.50	19.04	20.86	22.03	21.78	33	-84	-59
Oklahoma City 3/	20.25	21.04	21.35	19.11	20.93	22.10	21.85	11	-106	-81
Average	20.35	21.23	21.52	19.12	20.94	22.11	21.86	29	-88	-63
Western irrigated markets										
Phoenix 3/	18.99	20.84	21.15	18.59	20.41	21.58	21.33	43	-74	-49
10 markets 4/	20.65	21.55	21.85	19.37	21.19	22.36	22.11	36	-81	-56
13 markets	20.47	21.43	21.73	19.26	21.08	22.25	22.00	35	-82	-57
Mill points 3/ 5/	21.80	22.79	23.00	19.80	21.62	22.79	22.54	117	0	25

Compiled from records and reports of the Cotton and Fiber Branch, Office of Marketing Services, and the Commodity Credit Corporation

1/ Gross weight.

2/ January purchase rates are 5 points higher at all locations than those for December.

3/ Market prices are averages of Friday's prices.

4/ Charleston, Augusta, Savannah, Montgomery, New Orleans, Memphis, Little Rock, Dallas, Houston, and Galveston.

5/ Carolina Group "B" mill points.

Table 6.- STATISTICAL SUMMARY

Item	Unit or base period	1943	1944			Pct. of year ago 1/
		Dec.	Oct.	Nov.	Dec.	
Prices:						
Middling 15/16-inch, 10 markets	Cent	19.68	21.59	21.38	21.55	110
Farm, United States	Cent	19.85	21.25	20.78	20.85	105
Parity	Cent	20.71	21.08	21.20	21.20	102
Farm, percentage of parity	Percent	96	101	98	98	102
Premium of 1-1/8-inch over basis 2/:						
Memphis	Point	500	426	425	425	85
Carolina "B" mill area	Point	695	625	625	625	90
SxP, New England mill points 3/	Cent	49.40	51.00	51.75	52.00	105
Cloth, 17 constructions	Cent	40.62	42.44	42.44	42.69	105
Mill margin (17 constructions)	Cent	21.09	21.12	21.31	21.41	102
Cottonseed, farm price	Dollar	52.60	52.70	53.40	53.10	101
Cottonseed, parity	Dollar	37.70	38.30	38.60	38.60	102
Cottonseed, farm, pct. of parity	Percent	140	138	138	138	99
Consumption:						
All kinds during month, total	1,000 bales	851.2	795.4	836.5	760.7	89
All kinds cumulative, total	1,000 bales	4,272	2,430	3,266	4,027	94
All kinds per day, total	Bale	37,008	36,569	38,909	38,037	103
All kinds, annual rate	Million bales	9.5	9.4	10.0	9.7	102
American-Egyptian cotton, total	Bale	3,712	3,487	3,561	3,298	89
American-Egyptian, cumulative	Bale	18,034	10,458	14,019	17,317	96
Foreign cotton, total	Bale	9,167	8,821	9,811	8,122	89
Foreign cotton, cumulative	Bale	48,475	26,809	36,620	44,742	92
Stocks, end of month:						
Consuming establishments	1,000 bales	2,400	1,977	2,210	2,319	97
Public storage and compresses	1,000 bales	12,664	11,992	13,186	13,396	106
Total 4/	1,000 bales	15,065	13,969	15,396	15,715	104
Egyptian cotton, total 4/	Bale	60,301	46,968	43,044	42,021	70
American-Egyptian cotton, total 4/	Bale	57,355	49,809	46,384	48,845	85
Index numbers:						
Cotton consumption	1935-39 = 100	142	140	149	146	103
Prices paid, interest, and taxes	1910-14 = 100	167	170	171	171	102

1/ Applies to last month for which data are available. 2/ Premiums for Middling 1-1/8-inch based on near active month futures at New York. 3/ SxP, No. 2, 1-1/2 inch, New England mill points. 4/ Includes only stocks in mills and public storage and at compresses.

Compiled from official sources.